



# The President's Daily Brief

*May 16, 1975*

5

*Top Secret* 25X1

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1)(2)(3)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

May 16, 1975

Table of Contents

Mayaguez Incident: World reaction is reviewed.  
(Page 1)

Laos: Most major urban areas were reported quiet  
yesterday. (Page 3)

Spain visit to Spain may be  
ill-advised. (Page 4) 25X1  
25X1

MBFR: The sixth round of the force reduction nego-  
tiations opens today in Vienna. (Page 5)

France-NATO: (Page 7) 25X1  
25X1

USSR-China-Taiwan: The Soviets would like  
to establish economic and trade relations with  
Taiwan. (Page 9) 25X1

25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

MAYAGUEZ INCIDENT

*World reaction to the recovery of the Mayaguez ranges from condemnation by China and North Vietnam to approval by South Korea and Taiwan. Reaction in the UK and West Germany has been generally favorable, and coverage in Soviet media has been essentially factual.*

Chinese Vice Premier Li Hsien-nien has labeled the US action to recover the Mayaguez "an outright act of piracy" that should be condemned by world opinion. Speaking at a reception given by Vietnamese representatives in Peking, Li said the Mayaguez incident "showed that the US had not learned from its defeats in Indochina." He portrayed the incident as arising from the intrusion of a US ship into Cambodian territorial waters. Li's comments, the first authoritative statement from Peking, came after the military action had been completed.

The foreign ministry in Hanoi issued an official statement describing the Mayaguez as a "reconnaissance ship" and condemning its recovery as a "serious act of war." The North Vietnamese pledged support for Cambodia's "right to defend its territory, airspace, and territorial waters"--a statement that may come back to haunt Hanoi, given Phnom Penh's recent assertion of its rights to disputed offshore islands. The new government in Saigon, though it has not commented yet, can be expected to parrot Hanoi's line.

Soviet media have given the incident extensive, but essentially factual, coverage. Cambodian charges and US denials that the Mayaguez was engaged in espionage activity have both been reported. Radio Moscow noted Thai protests, as well as criticism in the US, but has offered no editorial comment of its own. The East Europeans have been somewhat out in front of Moscow in their criticism of US actions; the East Germans have used the most pejorative language.

(continued)

*FOR THE PRESIDENT ONLY*

Public reaction in Britain and West Germany has been generally favorable; French press comment has been mixed. The French left has condemned the action as "shameful," while the right--still rankled by Cambodian handling of the refugees in the French embassy--has been basically favorable. Swedish newspapers have been almost unanimous in their criticism of Washington's use of force.

25X1

25X1

[redacted] In Copenhagen, Foreign Minister Anderson was noncommittal after receiving the US embassy's presentation on the Mayaguez incident.

25X1

A spokesman for the Japanese foreign ministry implied approval for the action, telling newsmen that ships in "open waters must not be subject to seizure." The spokesman said Tokyo viewed the American action as "limited."

25X1

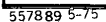
[redacted] Official and unofficial comment from South Korea and Taiwan has been predictably favorable. Despite the strong Thai reaction, a communiqué issued on the completion of a meeting of foreign ministers of the Association of Southeast Asian Nations--Thailand, the Philippines, Indonesia, Malaysia, and Singapore--made no mention whatsoever of the Mayaguez incident.

25X1

25X1

Of the Arab nations, only Algeria has weighed in heavily with invective against Washington. Cuban commentary has been relatively mild, while Paraguayan and Uruguayan officials have expressed satisfaction with the outcome of the incident. The rest of Latin America has yet to make itself heard.

*FOR THE PRESIDENT ONLY*



## FOR THE PRESIDENT ONLY

### LAOS

*With the exception of Thakhek, most major urban areas in the non-communist zone as well as the "neutralized" twin capitals of Vientiane and Luang Prabang were reported quiet yesterday.*

In Thakhek, a rightist stronghold along the Mekong in north-central Laos, an estimated 500 Pathet Lao - inspired students, soldiers, policemen, and low-level civil servants assembled yesterday at the USAID compound. The protesters demanded action on the area's serious economic problems as well as the ouster of a number of local rightist officials. The atmosphere in Thakhek was reported as relaxed, but more radical student agitators apparently are on their way to Thakhek from nearby Savannakhet.

The situation in Savannakhet has stabilized, at least temporarily, following several days of anti-rightist and anti-American demonstrations. The coalition government has formally apologized to the US for the protesters' occupation of the USAID compound and for the detention of three American officials. The three hostages were released late yesterday and allowed to return to their private residences in the city. The coalition government has dispatched a joint peace-keeping delegation to Savannakhet to negotiate the protesters' grievances.

\* \* \*

The coalition cabinet met on May 14 amid considerable speculation that replacements for a number of recently ousted rightist ministers would be announced.

Action on the cabinet reshuffle, however, was deferred to next week at the earliest.

*FOR THE PRESIDENT ONLY*

[ ] SPAIN [ ]

225X1

[ ]  
 [ ] your visit to Spain may be  
 ill-advised. [ ]  
 doubt that Franco can be encouraged to in-  
 troduce democratic changes. Other [ ]  
 [ ] leaders [ ] have reserva-  
 tions about the efficacy of the visit.  
 (Similar doubts were expressed [ ]  
 [ ] when Presidents Eisen-  
 hower and Nixon visited Spain.)

25X1

25X1

25X1

25X1

25X1

25X1

25X1

[ ]  
 [ ] you  
 will be talking to a "dying regime" when you visit  
 Madrid. [ ]  
 [ ] any bilateral agreement  
 reached during the visit might easily be overturned  
 by a post-Franco government.

25X1

25X1

25X1

25X1

[ ]  
 [ ]  
 [ ] the situation in Spain is  
 too complex and fraught with unknowns to hope for  
 even gradual democratic changes simply by encourag-  
 ing Franco to make them.

25X1

25X1

25X1

25X1

25X1

25X1

[ ]  
 [ ] your visit, [ ] will  
 be a boost for Franco. The very cool reaction [ ]  
 [ ] to the US proposal that NATO  
 consider establishing closer ties with Spain re-  
 flects a still widespread feeling that Franco Spain  
 is a pariah [ ]

25X1

25X1

25X1

25X1

25X1

In Spain itself, press reaction to the visit  
 generally reflects the varied opinions about the  
 desirability of having US bases in the country.  
 Some commentators view the visit as a reaffirmation  
 of the country's importance to the US because of  
 Spain's strategic position; others imply more di-  
 rectly that the visit should strengthen Madrid's  
 position in renegotiating the base rights agreement.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

MBFR

*The sixth round of the force reduction negotiations opens today in Vienna. The major question, for the Allies as well as the Soviet Union, is whether the US will offer to withdraw US nuclear warheads and delivery systems in return for the Soviet Union's withdrawing armored forces--the so-called Option III.*

All the NATO Allies were informed in April that the US was studying the matter. They probably expect the US formally to propose that this option be utilized in an effort to break the deadlock in Vienna.

[redacted] West Germans [redacted]

25X1

25X1

[redacted] remain interested in using such an offer to obtain East European acceptance of the West's common-ceiling proposal to bring Eastern and Western ground forces in Central Europe to approximately the same size.

25X1

[redacted] West Germans are also concerned that if the US offers to withdraw nuclear elements, the Soviets would insist that other Western participants withdraw or reduce their aircraft and missiles. [redacted] Bonn presumably will insist on a thorough discussion of this issue within NATO. A lengthy review by NATO officials would make it impossible to offer the nuclear trade-off during this round.

25X1

25X1

The Soviets and their allies have insisted from the beginning of the talks that aircraft and nuclear weapons be included in any force reduction agreement. [redacted]

25X1

(continued)

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

[ ] the Soviets expected the US to propose a discussion of the reduction of nuclear missiles some time during this round. The Soviets, in any case, anticipate lengthy talks on this topic and reportedly doubt that any agreement on reducing nuclear weapons can be concluded by the end of the fall round of talks.

25X1

Moscow is hopeful, however, that the fall round will result in some general agreement on ground forces reductions. In this context, the Soviets probably believe that the West eventually will accept their proposal for a "first-step" agreement in which both sides would reduce by about 20,000 men.

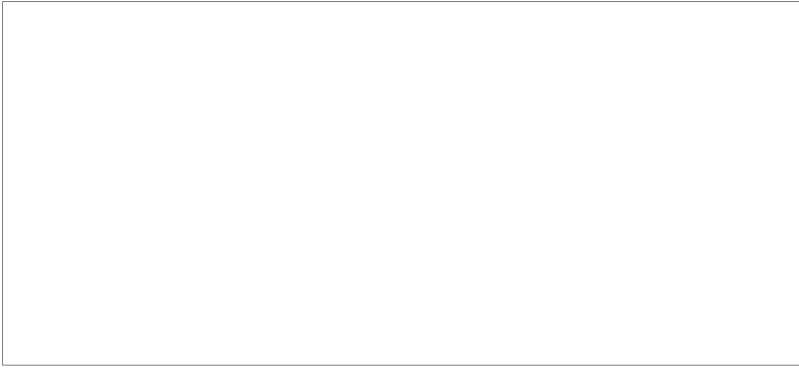
*FOR THE PRESIDENT ONLY*

**FRANCE-NATO**

|                         |              |
|-------------------------|--------------|
| <div></div> <div></div> | 25X1<br>25X1 |
| <div></div>             | 25X1         |
| <div></div> <div></div> | 25X1<br>25X1 |
| <div></div>             | 25X1<br>25X1 |
| <div></div> <div></div> | 25X1<br>25X1 |
| <div></div>             | 25X1         |
| <div></div> <div></div> | 25X1<br>25X1 |
| <div></div>             | 25X1         |
| <div></div> <div></div> | 25X1<br>25X1 |
| <div></div>             | 25X1         |

(continued)

*FOR THE PRESIDENT ONLY*



25X1

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

USSR-CHINA-TAIWAN

*The Soviets [ ] would like  
to establish economic and trade rela-  
tions with Taiwan. [ ]*

25X1

25X1  
25X1

25X1

25X1

The Nationalists are sensitive to complications that any dealing with the Soviets could raise for their relations with the US, but they also appreciate the anxiety contact with Moscow causes Peking. This anxiety has probably been compounded in the wake of the death of Chiang Kai-shek. The Chinese communists have long suspected that Premier Chiang Ching-kuo is less adamantly anti-Soviet than his father.

The Soviets may think that the Nationalists will be more responsive to their probes in light of your coming visit to Peking, but it is unlikely that [ ] Soviet overture will lead very far. While both parties share an interest in worrying Peking, neither sees much utility in closer mutual relations. The Soviets recognize that significant ties with Taipei would preclude improvement of relations with Peking, even after the death of Mao Tse-tung. Chiang Ching-kuo, who would face opposition from the old guard of the Koumintang if he were to pursue an "opening" to Moscow, seems to believe that any serious attempt to explore a meaningful relationship would risk an adverse US reaction with only doubtful gains in Moscow.

25X1  
25X1

*Top Secret*